

Item # _____

Prepared by: Gaye Davis/Lee Hinson

Commissioner: _____

Approved by: _____

RESOLUTION APPROVING AN AMENDMENT TO THE LEASE AGREEMENT WITH WESPAC PIPELINES – MEMPHIS LLC, AS APPROVED BY THE BOARD OF COMMISSIONERS OF THE MEMPHIS AND SHELBY COUNTY PORT COMMISSION ON JUNE 24, 2008. SPONSORED BY COMMISSIONER WYATT BUNKER.

WHEREAS, The Shelby County Board of Commissioners adopted a Resolution on July 10, 2006 authorizing a lease agreement between Wespac Pipelines – Memphis, LLC and the Memphis and Shelby County Port Commission providing that Wespac would lease certain real property being a portion of Lot 2 of the Memphis and Shelby County Port Commission’s Industrial Subdivision and more fully described as Parcel A in the survey of Allen & Hoshall, Inc., dated January 1, 2006, a copy of said lease agreement being attached hereto as Exhibit “A”.

WHEREAS, Wespac Pipelines - Memphis LLC has requested that this lease be amended so as to add to the leased premises Parcels B and C as shown on said survey referred to above.

WHEREAS, the Memphis and Shelby County Port Commission approved said amendment to the lease agreement at its regularly scheduled meeting on June 24, 2008, a copy of said Resolution being attached hereto as Exhibit “B”, and

WHEREAS, Wespac Pipelines - Memphis LLC has agreed that the rent under the lease will be increased proportionally; and

WHEREAS, said proposed lease amendment, a copy of which is attached hereto as Exhibit “C”, is in the best interests of the Memphis and Shelby County Port Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY

COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, on recommendation of the Memphis and Shelby County Port Commission, that the proposed easement grant to Wespac Pipelines – Memphis, LLC be and hereby is approved.

BE IT FURTHER RESOLVED, That the Mayor of Shelby County is hereby authorized to execute same.

BE IT FURTHER RESOLVED, That this action is subject to concurrence by City of Memphis.

A C Wharton, Jr.
County Mayor

Date_____

Attest:

Clerk of County Commission

ADOPTED_____

SUMMARY SHEET

- I. **Description of Item:** Resolution approving an amendment to the lease agreement with WesPac Pipelines - Memphis LLC, as approved by the Board of Commissioners of the Memphis and Shelby County Port Commission on June 24, 2008.

II. **Source and Amount of Funding**

This is an amendment to a lease agreement. There is no funding within the agreement. The Lessee pays rental to the Port Commission as Lessor.

III. **Contract Items**

- A. Type of Contract: 1st Amendment to a Lease Agreement
- B. Terms: Original lease agreement began June 1, 2006 and the term is for a period of 15 years and will automatically renew for another consecutive term of 15 years unless Lessee gives written notice no less than 180 days prior to end of initial term that it does not wish to renew.

IV. **Additional Information Relevant to approval of this item**

WesPac Pipelines - Memphis LLC and the Memphis and Shelby County Port Commission entered into a lease agreement dated June 1, 2006, to construct, operate and lease pipeline. The lease agreement provided that WesPac would lease a portion of Lot #2 of the Memphis and Shelby County Port Commission's Industrial Subdivision. The portion leased by WesPac thru the lease agreement is described as Parcel A. This amendment to the lease agreement adds Parcels B and C of Lot #2 to the WesPac lease agreement. The annual rental amount of the original lease was \$31,552.80 which is adjusted annually by use of the Consumer Price Index. As of June 1, 2008 the annual rental amount increased to \$33,789.93. The amount of rental will be increased proportionally to include both Parcels B & C.